



Tax Credits Act 2002

2002 CHAPTER 21

[^{F1}PART 1

TAX CREDITS

Payment

[^{F1}25 Payments of working tax credit by employers

- (1) Regulations may require employers, when making [^{F2}payments of, or on account of, PAYE income] and in any such other circumstances as may be prescribed, to pay working tax credit, or prescribed elements of working tax credit, to employees.
- (2) The regulations may, in particular, include provision—
 - (a) requiring employers to make payments of working tax credit, or prescribed elements of working tax credit, in accordance with notices given to them by the Board,
 - (b) for the payment by the Board of working tax credit in cases where an employer does not make payments of working tax credit, or prescribed elements of working tax credit, in accordance with the regulations and with any notices given by the Board,
 - (c) prescribing circumstances in which employers are not required to make, or to continue making, payments of working tax credit, or prescribed elements of working tax credit,
 - (d) for the provision of information or evidence for the purpose of enabling the Board to be satisfied whether employers are complying with notices given by the Board and with the regulations,
 - (e) requiring employers to provide information to employees (in their itemised pay statements or otherwise),
 - (f) for the funding by the Board of working tax credit paid or to be paid by employers (whether by way of set off against income tax, national insurance contributions or student loan deductions for which they are accountable to the Board or otherwise),

Changes to legislation: Tax Credits Act 2002, Section 25 is up to date with all changes known to be in force on or before 25 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (g) for the recovery by the Board from an employer of funding under paragraph (f) to the extent that it exceeds the amount of working tax credit paid by the employer,
- (h) for the payment of interest at the prescribed rate on sums due from or to the Board, and for determining the date from which interest is to be calculated, and
- (i) for appeals with respect to matters arising under the regulations which would otherwise not be the subject of an appeal.

^{F3}(3)

^{F4}(4)

(5) In this Part—

“employee” means a person who receives any [^{F5}payment of, or on account of, PAYE income], and

“employer”, in relation to an employee, means a person who makes any such payment to the employee.

(6) ^{F6}

(7) “Student loan deductions” means deductions in accordance with regulations under section 22(5) of the Teaching and Higher Education Act 1998 (c. 30), section 73B(3) of the Education (Scotland) Act 1980 (c. 44) or Article 3(5) of the Education (Student Support) (Northern Ireland) Order 1998 (S.I. 1998/1760 (N.I. 14)).]

Textual Amendments

- F1** Pt. 1 repealed (1.2.2019 with savings in relation to specified cases in [art. 3](#) of the commencing S.I.) by [Welfare Reform Act 2012 \(c. 5\)](#), s. 150(3), [Sch. 14 Pt. 1](#); S.I. 2019/167, arts. 2, 3
- F2** Words in s. 25(1) substituted (with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 722, [Sch. 6 para. 265\(2\)](#) (with Sch. 7)
- F3** S. 25(3) omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 113(2), [Sch. 36 para. 90](#) (with Sch. 36 para. 38); S.I. 2009/404, [art. 2](#) (with art. 9)
- F4** S. 25(4) omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 113(2), [Sch. 36 para. 90](#) (with Sch. 36 para. 38); S.I. 2009/404, [art. 2](#) (with art. 9)
- F5** Words in s. 25(5) substituted (with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 722, [Sch. 6 para. 265\(3\)](#) (with Sch. 7)
- F6** S. 25(6) repealed (with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), ss. 722, 724(1), [Sch. 6 para. 265\(4\)](#), [Sch. 8 Pt. 1](#) (with Sch. 7)

Commencement Information

- I1** S. 25 wholly in force at 6.4.2003; s. 25 not in force at Royal Assent, see s. 61; s. 25(1)(2)(6)(7) in force and s. 25(5) in force for certain purposes at 9.7.2002 and s. 25 in force in so far as not already in force at 6.4.2003 by [S.I. 2002/1727](#), [art. 2](#)

Changes to legislation:

Tax Credits Act 2002, Section 25 is up to date with all changes known to be in force on or before 25 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- specified provision(s) amendment to earlier commencing SI 2003/962 by [S.I. 2008/3151 art. 3\(2\)](#) (art. 3(2) revoked (14. 7.2014) by S.I. 2014/1848)
- specified provision(s) amendment to earlier commencing SI 2003/962 art. 2(5) by [S.I. 2011/2910 art. 2](#) (Order revoked (14. 7.2014) by S.I. 2014/1848)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 35(2)-(12) substituted for s. 35(2) by [2012 c. 5 s. 124](#)
- s. 35(9) words substituted by [2020 c. 17 Sch. 24 para. 443\(1\)](#) (This amendment not applied to legislation.gov.uk. The substitution of s. 35(2)-(12) for s. 35(2) by 2021 c. 5, s. 124 is not yet in force)
- s. 36(10) words repealed by [2012 c. 5 Sch. 14 Pt. 12](#)